

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

www.balljanik.com

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

KARL MORELL



kmorell@dc.bjllp.com

September 1, 2006

217466

BY HAND DELIVERY

The Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

ENTERED
Office of Proceedings
SEP 5 - 2006
Part of
Public Record

Re: STB Finance Docket No. 34930, Brandon Railroad LLC –
Acquisition Exemption – Brandon Corp.

Dear Secretary Williams:

Attached for filing are the original and ten copies of a Verified Notice of Exemption under 49 C.F.R. § 1150.31 and a check covering the \$1,500 filing fee. Also enclosed is a 3.5-inch diskette containing the Notice and Summary.

Please time and date stamp the extra copy of the Notice of Exemption and return it with our messenger.

If you have any questions, please contact me.

Sincerely yours,

Karl Morell

Enclosures

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34930

BRANDON RAILROAD LLC
--ACQUISITION EXEMPTION--
BRANDON CORP.

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



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KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, D.C. 20005
(202) 638-3307

Attorney for:
Brandon Railroad LLC

Dated: September 1, 2006

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34930

BRANDON RAILROAD LLC
--ACQUISITION EXEMPTION--
BRANDON CORP.

VERIFIED NOTICE OF EXEMPTION
Pursuant to 49 C.F.R. § 1150.31, Et Seq.



The Brandon Railroad LLC ("BRR"), a non-carrier, files this Notice of Exemption pursuant to 49 C.F.R. Part 1150, Subpart D--Exempt Transactions, to permit BRR to acquire from Brandon Corp. ("Brandon") rail lines located in the state of Nebraska.

In support of this Notice of Exemption, BRR submits the following information as required by 49 C.F.R. § 1150.33:

(a) Full name and address of applicant:

Brandon Railroad LLC
c/o Gunderson Rail Services, LLC
One Centerpointe Drive, Suite 200
Lake Oswego, OR 97035

(b) Applicant's Representative:

Karl Morell
Of Counsel
BALL JANI LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

(c) Statement of Agreement:

BRR will shortly enter into agreements with Brandon for the acquisition of the rail lines.

(d) The operator of the property:

BRR will be the operator of the acquired lines.

(e) Summary of proposed transaction:

(1) The name and address of the company selling the subject property:

Brandon Corp.
4901 South 28th Street
Omaha, NE 68107

(2) The involved transaction is expected to be consummated on or shortly after September 8, 2006.

(3) The rail lines that BRR is acquiring are located in Omaha, Nebraska in the former Omaha-South Omaha switching district. There are no mileposts associated with these lines. Prior to 1978, these lines were operated by the South Omaha Terminal Railway Company. In 1979, the Interstate Commerce Commission authorized Brandon to operate the rail lines. *See Finance Docket No. 28943F, Brandon Corp. Operation of a Line of Railroad in Douglas County, NE* (not printed), served July 11, 1979.

(4) The length of the rail lines being acquired is approximately 17.3 miles.

(f) Maps of the rail lines being acquired are attached as Exhibit A.

(g) BRR hereby certifies that BRR's projected revenues as a result of this transaction will not result in BRR becoming a Class II or Class I rail carrier. BRR

further certifies that the projected annual revenue of BRR will not exceed \$5 million.

Accordingly, the requirements of 49 C.F.R. § 1150.32(e), do not apply to this transaction.

A caption summary, as required by 49 C.F.R. § 1150.34, is attached.

ENVIRONMENTAL AND HISTORIC IMPACTS

BRR is acquiring the lines from Brandon for continued rail operations. Further Board approval is required for BRR to abandon or discontinue any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, this Notice of Exemption does not require an historic report under 49 C.F.R. § 1105.8(b)(1).

Neither the acquisition of the rail lines from Brandon nor the operations of BRR will result in significant changes in carrier operations. There will not be a diversion of: (1) more than 1,000 rail carloads a year to motor carriage; or (2) an average of 50 carloads per mile per year for any part of this line to motor carriage. This transaction will not result in: (1) an increase in rail traffic of at least 100 percent or an increase of at least eight trains a day on any segment of the line; (2) an increase of rail yard activity of at least 100 percent; or (3) an average increase in truck traffic of more than 10 percent of the average daily traffic or 50 vehicles a day. The acquisition of the rail lines from Brandon will not affect a Class I or nonattainment area under the Clean Air Act. In any event, the thresholds of 49 C.F.R. § 1105.7(e)(5)(ii) will not be exceeded. Finally, the transportation of ozone depleting materials is not contemplated. Therefore, no environmental documentation is required under 49 C.F.R. § 1105.6(c)(2).

This action will not significantly affect either the quality of the human environment or energy conservation.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Karl Morell", written over a horizontal line.

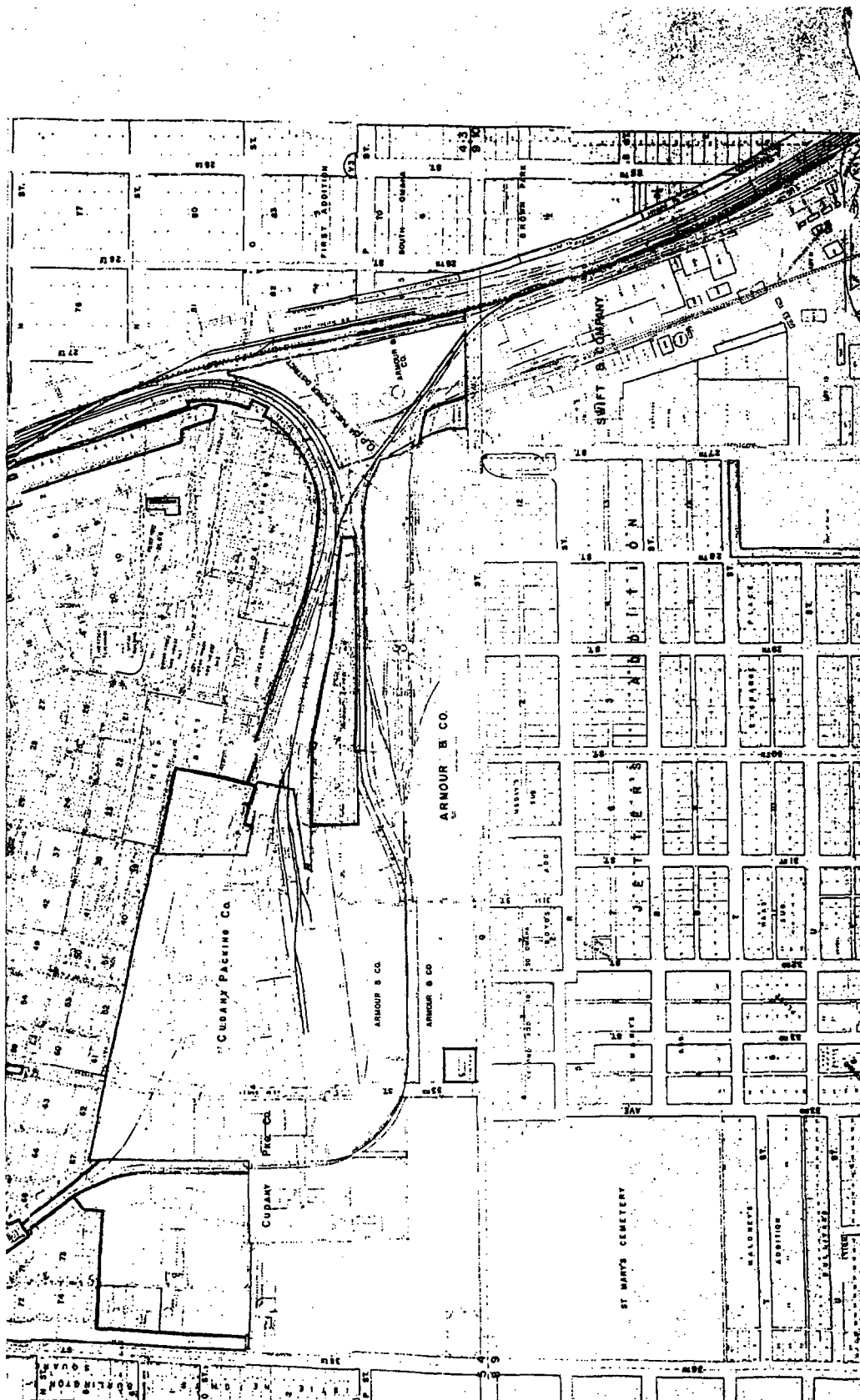
KARL MORELL
Of Counsel
BALL JANIK LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005
(202) 638-3307

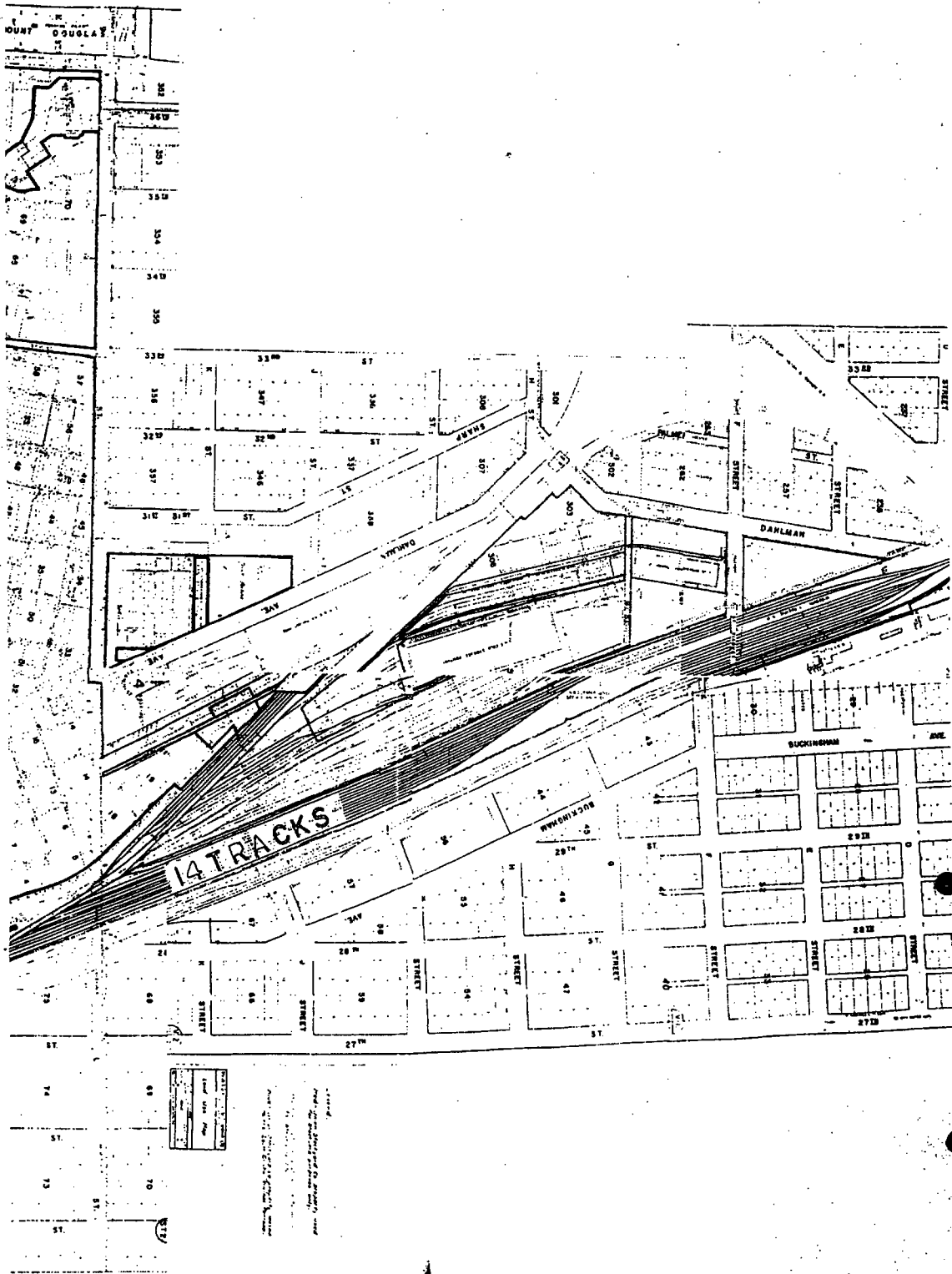
Attorney for:
Brandon Railroad LLC

Dated: September 1, 2006

EXHIBIT A

Maps





SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34930

BRANDON RAILROAD LLC
--ACQUISITION EXEMPTION--
BRANDON CORP.

Brandon Railroad LLC (“BRR”), a non-carrier, has filed a notice of exemption to acquire from Brandon Corp. (“Brandon”) rail lines in the state of Nebraska. The rail lines that BRR is acquiring are located in Omaha, Nebraska in the former Omaha-South Omaha switching district. The rail lines are approximately 17.3 miles in length and were formerly operated by the South Omaha Terminal Railway Company.

Comments must be filed with the Board and served on Karl Morell, Of Counsel, BALL JANIK LLP, Suite 225, 1455 F Street, N.W., Washington, DC 20005, (202) 638-3307. This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

STATE OF OREGON

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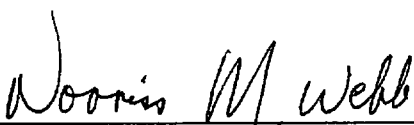
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ss.

COUNTY OF CLACKAMAS

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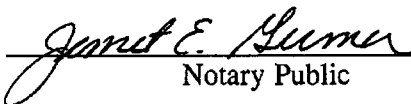
I, Norriss M. Webb, being duly sworn depose and state that I am Executive Vice President, of Brandon Railroad LLC, that I am authorized to make this verification, and that I have read the foregoing Notice of Exemption and know the facts asserted therein are true and accurate as stated to the best of my knowledge, information, and belief.



Norriss M. Webb, Executive Vice President

SUBSCRIBED AND SWORN TO before me this 1st day of September, 2006, in the County of Clackamas, State of Oregon.

My Commission Expires: 5/28/2010



Notary Public

